LEPHALALE LOCAL MUNICIPALITY

FIRST QUARTER FINANCIAL REPORT AND STAFF BENEFITS REPORT – SEPTEMBER 2015

ITEM A158/2015[10]

1st QUARTER FINANCIAL REPORT AND STAFF BENEFITS REPORT – SEPTEMBER 2015

5/18/1

COUNCIL: 27 OCTOBER 2015

RESOLVED

1. That the 1st quarter Financial report and Staff benefits report – September 2015 report be noted.

2. That the notification to relevant Treasury and Auditor general be done.

CFO

ITEM A158/2015[10]

1st QUARTER FINANCIAL REPORT AND STAFF BENEFITS REPORT – SEPTEMBER 2015

5/18/1

EXCO: 27 OCTOBER 2015

REPORT OF THE MUNICIPAL MANAGER

1. PURPOSE

The purpose of this report is to enable the Accounting Officer to table first quarter report as per Section 52, the Section 66 as required by the MFMA.

2. LEGAL REQUIREMENTS

In terms of Section 52 of the Municipal Finance Management Act 56 of 2003(MFMA), " The Mayor of a Municipality must , within 30 days of the end of each quarter, submit a report to the Council on the implementation of the Budget and the Financial State of Affairs of the Municipality...

In terms of section 66 of the Municipal Finance Management Act 56 of 2003 (MFMA), "The Accounting Officer of a Municipality must, in a format and for periods as may prescribed, report to the Council on all expenditure incurred by the Municipality on Staff Salaries, Wages, allowances and benefits and in a manner that discloses such expenditure per type of expenditure.

3. BACKGROUND

This report is based on financial information available at the time of preparation. The financial result for the period ended 30 September 2015 are summarised as follows:

OPERATING REVENUE

The monthly Budget Statement summary shown in the table C1 is prepared on a similar basis to the prescribed budget format, detailing Operating Revenue, Expenditure and Capital Expenditure.

Property Rates actual revenue for the first quarter is 20% higher than the quarterly Budget which is due to Supplementary valuation rolls in the 1st quarter. The Services charges revenue is at 10% below the Quarterly budget. The main reason being the decrease in the number of consumers due to demobilisation at Medupi Project.
Interest earned on investment is 45% lower than the Quarterly budget.

The operational grants show 2% lower than the quarterly budget due to the spending on Extended Public Works Programme which was lower than the quarterly budget.

The other revenue shows 14% lower than the quarterly budget. The contributor being interest on debtors which is 44% below the quarterly budget due to the decrease of consumers due to demobilisation at Medupi Power station.

OPERATING EXPENSES

Employee costs shows 90% spent of the quarterly budget for which the reality is that there is under spending on the Salaries due to the vacant positions. SALGA approved annual increase late in August and resulted in under spending of the quarterly budget. The other contributor was due to salaries for which annual increase backlog was not paid.

Despite the introduction of the Overtime Policy (that limits hour to 40) there is an over expenditure on overtime which shows the overall spending of 48% of the Annual Budget. The main contribution of over spending on overtime is as follows:

Department	**Annual Budget**	**Actual**	**Percentages**
Office of the MM	R170 000	R131 296	77%
Budget and Treasury	R275 000	R22 430	8%
Corporate Services	R190 000	R63 195	33%
Social Services	R1 990 000	R958 993	48%
Infrastructure Services	R2 271 000	R1 206 032	53%
Planning Development	R25 000	R2 692	11%
Total	**R4 921 000**	**R2 384 641**	**48%**

The remuneration of Councillor's shows 7% less than the quarterly budgeted but 25% spent on the annual Budget. Transfer of grants and subsidies is at 100% as quarterly budgeted for. Finance Charges shows 14% higher than the quarterly budget and the major contributor being the repayment of other loans which was projected to be paid in Second quarter.

The other expenditure is 23% higher than quarterly budget. The major contributor to other expenditure is Compensation commissioner which is at 87% which was projected to be paid in second quarter. Ceremonial functions is at 98% of the annual budget and Gender Women and Children is at 77% of the annual budget, they are also contributing to higher than the budget on other expenditure. The other contribution is on Legal Fees which is at 48% of the annual budget. The repairs and maintenance are as follows:

Department	Annual budget	Amount spent	Percentage
Waste	R759 912	R32 335	4%
Public Works	R4 021 000	R872 540	22%
Electricity	R2 261 797	R664 658	29%
Water	R1 983 374	R609 500	31%
Sanitation	R3 863 351	R861 008	22%
TOTAL	R12 889 434	R3 040 041	23%

CAPITAL EXPENDITURE

The total capital expenditure and grants is 25% of the Annual Budget. The capital expenditure on grants funding Projects is at 4% below quarterly budget. The major contribution is on Water infrastructure grants project which is at the adjudication stage at zero percentage expenditure. Municipal Infrastructure Grants Projects are at 29% of the annual budget. The own funding projects is at 15% of the Annual budget and 100% of the quarterly budget. The 15% spent is basically in the roll over Projects. The current year own funding Projects are at 0% expenditure and most of those Projects are on Specification Stage.

FINANCIAL POSITION

The Municipality's financial position is currently positive, by end of September the Municipality has a positive net assets to the value R1, 2 billion. The municipality is still financially sound with a current ratio 366% being the current assets of R249 million divide by current liability of R68 million. The current ratios measure the municipal ability to meet its obligation when they become due. The acid test ratio shows percentage of 363% being the current assets of R249 million subtract inventory of R1, 9 million divide by current liabilities of R68 million.

The current collection rate on outstanding debts is 92% which comprises of the following:

Description	Billing	Collection	%
Rates	R12 604 928	R10 526 969	84%
Electricity	R37 041 845	R36 940 801	100%
Water	R9 615 842	R8 450 808	88%
Sewerage	R4 316 498	R3 345 527	78%
Refuse	R3 049 752	R2 317 173	76%
Total	R66 628 867	R61 581 280	92%

Cash flow

The cash and cash equivalent as at the end of the first quarter is 3% above the budget , this indicate that despite the positive financial position the actual cash flow is below the Annual budgeted cash flow .This means that there would be an increase in the use of the reserves that would negatively affect the Municipality financial position.

3.1 CHALLENGES

The under spending on own funding capital projects

4. STAFF IMPLICATIONS

5. FINANCIAL IMPLICATIONS

Budgeted expenditure

6. ATTACHMENTS

1st Quarter Financial Report is attached as an **ANNEXURE.**

RECOMMENDED

1. That the 1st quarter Financial report and Staff benefits report – September 2015 report be noted.
2. That the notification to relevant Treasury and Auditor general be done.

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ANNEXURE

LIM362 Lephalale - Table C1 Monthly Budget Statement Summary - Q1 First Quarter

Description	2014/15	Budget Year 2015/16							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	48,381	–	5,067	15,201	12,714	2,487	20%	–
Service charges	–	190,066	–	14,752	46,503	51,546	(5,043)	-10%	–
Investment revenue	–	7,783	–	383	1,139	2,071	(931)	-45%	–
Transfers recognised - operational	–	106,721	–	233	37,887	38,802	(915)	-2%	–
Other own revenue	–	44,171	–	2,545	6,233	7,270	(1,037)	-14%	–
Total Revenue (excluding capital transfers and contributions)	–	397,121	–	22,980	106,963	112,403	(5,439)	-5%	–
Employee costs	–	148,331	–	11,644	34,192	38,191	(3,998)	-10%	–
Remuneration of Councillors	–	7,584	–	643	1,929	2,081	(152)	-7%	–
Depreciation & asset impairment	–	60,158	–	5,593	17,152	16,832	320	2%	–
Finance charges	–	11,591	–	193	2,142	1,883	260	14%	–
Materials and bulk purchases	–	111,892	–	9,750	34,870	37,105	(2,236)	-6%	–
Transfers and grants	–	1,234	–	80	320	320	0	0%	–
Other expenditure	–	96,561	–	7,339	25,215	20,491	4,724	23%	–
Total Expenditure	–	437,351	–	35,241	115,821	116,904	(1,083)	-1%	–
Surplus/(Deficit)	–	(40,230)	–	(12,262)	(8,857)	(4,501)	(4,357)	97%	–
Transfers recognised - capital	–	48,154	–	6,084	14,477	15,111	(634)	-4%	–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	–	7,924	–	(6,177)	5,619	10,610	(4,991)	-47%	–
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	–	7,924	–	(6,177)	5,619	10,610	(4,991)	-47%	–
Capital expenditure & funds sources									
Capital expenditure	–	75,904	–	7,907	18,826	15,111	3,715	25%	–
Capital transfers recognised	–	48,154	–	6,084	14,477	15,111	(634)	-4%	–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	27,750	–	1,822	4,349	4,349	0	0%	–
Total sources of capital funds	–	75,904	–	7,907	18,826	19,460	(634)	-3%	–
Financial position									
Total current assets	–	162,296	–		249,113				–
Total non current assets	–	1,103,125	–		1,198,263				–
Total current liabilities	–	64,348	–		68,038				–
Total non current liabilities	–	135,923	–		132,333				–
Community wealth/Equity	–	1,065,150	–		1,247,005				–
Cash flows									
Net cash from (used) operating	–	52,966	–	(9,289)	9,799	5,085	(4,713)	-93%	–
Net cash from (used) investing	–	(75,905)	–	(7,907)	(18,826)	(15,111)	3,715	-25%	–
Net cash from (used) financing	–	–	–	–	(714)	(714)	(0)	0%	–
Cash/cash equivalents at the month/year end	–	67,804	67,804	–	55,363	57,064	1,701	3%	65,104

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	11,133	8,738	6,420	6,028	4,536	4,573	24,006	92,813	158,247
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

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ANNEXURE

LIM362 Lephalale - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Standard										
Governance and administration		–	82,240	–	7,959	28,190	20,560	7,630	37%	–
Executive and council		–	25,181	–	1,433	7,984	6,295	1,689	27%	–
Budget and treasury office		–	54,804	–	6,378	19,816	13,701	6,115	45%	–
Corporate services		–	2,255	–	148	390	564	(174)	-31%	–
Community and public safety		–	3,213	–	39	110	803	(693)	-86%	–
Community and social services		–	268	–	38	68	67	1	2%	–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	2,945	–	1	42	736	(694)	-94%	–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	37,556	–	4,807	9,285	8,344	942	11%	–
Planning and development		–	982	–	113	177	245	(68)	-28%	–
Road transport		–	36,574	–	4,694	9,108	8,098	1,010	12%	–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	322,267	–	16,260	83,856	117,807	(33,951)	-29%	–
Electricity		–	164,511	–	9,459	41,220	78,368	(37,148)	-47%	–
Water		–	101,026	–	4,355	25,522	25,256	265	1%	–
Waste water management		–	31,581	–	1,438	9,317	7,895	1,422	18%	–
Waste management		–	25,149	–	1,008	7,797	6,287	1,509	24%	–
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Standard	2	–	445,276	–	29,064	121,441	147,514	(26,073)	-18%	–
Expenditure - Standard										
Governance and administration		–	122,265	–	9,113	32,627	30,226	2,401	8%	–
Executive and council		–	49,683	–	3,772	15,505	12,421	3,084	25%	–
Budget and treasury office		–	36,450	–	2,680	8,171	9,112	(941)	-10%	–
Corporate services		–	36,132	–	2,660	8,951	8,693	258	3%	–
Community and public safety		–	31,154	–	2,230	5,899	7,961	(2,062)	-26%	–
Community and social services		–	25,616	–	1,763	4,432	6,577	(2,145)	-33%	–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	2,944	–	231	851	736	115	16%	–
Housing		–	2,594	–	236	617	648	(32)	-5%	–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	59,567	–	8,256	15,223	14,320	903	6%	–
Planning and development		–	8,565	–	606	1,770	1,570	200	13%	–
Road transport		–	51,002	–	7,650	13,453	12,751	703	6%	–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	224,365	–	15,642	62,072	64,055	(1,984)	-3%	–
Electricity		–	131,787	–	7,622	39,996	40,911	(915)	-2%	–
Water		–	60,193	–	6,461	13,768	15,048	(1,280)	-9%	–
Waste water management		–	18,569	–	484	4,851	4,642	208	4%	–
Waste management		–	13,816	–	1,075	3,457	3,454	3	0%	–
Other		–	–	–	–	–	–	–		–
Total Expenditure - Standard	3	–	437,351	–	35,241	115,821	116,563	(742)	-1%	–
Surplus/ (Deficit) for the year		–	7,925	–	(6,177)	5,620	30,951	(25,331)	-82%	–

LIM362 Lephalale - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter

Vote Description	Ref	2014/15	Budget Year 2015/16							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		–	6,219	–	192	2,018	1,555	463	29.8%	–
Vote 2 - BUDGET AND TREASURY		–	73,766	–	7,619	25,782	18,442	7,341	39.8%	–
Vote 3 - CORPORATE SERVICES		–	401	–	57	75	100	(25)	-25.0%	–
Vote 4 - SOCIAL SERVICES		–	36,781	–	1,140	9,643	8,150	1,493	18.3%	–
Vote 5 - INFRASTRUCTURE SERVICES		–	327,126	–	19,943	83,745	119,022	(35,277)	-29.6%	–
Vote 6 - PLANNING DEVELOPMENT		–	982	–	113	177	245	(68)	-27.7%	–
Vote 7 - STRATEGIC SERVICE		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	–	445,275	–	29,064	121,441	147,514	(26,073)	-17.7%	–
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		–	32,029	–	2,042	10,807	8,007	2,799	35.0%	–
Vote 2 - BUDGET AND TREASURY		–	49,520	–	3,332	9,741	12,380	(2,639)	-21.3%	–
Vote 3 - CORPORATE SERVICES		–	22,247	–	1,905	6,137	5,562	575	10.3%	–
Vote 4 - SOCIAL SERVICES		–	62,495	–	4,853	13,845	15,624	(1,779)	-11.4%	–
Vote 5 - INFRASTRUCTURE SERVICES		–	249,535	–	21,741	70,921	70,348	574	0.8%	–
Vote 6 - PLANNING DEVELOPMENT		–	8,008	–	714	2,112	2,002	110	5.5%	–
Vote 7 - STRATEGIC SERVICE		–	10,562	–	654	2,258	2,640	(383)	-14.5%	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	–	434,396	–	35,241	115,821	116,563	(742)	-0.6%	–
Surplus/ (Deficit) for the year	2	–	10,879	–	(6,177)	5,620	30,951	(25,331)	-81.8%	–

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates			48,381		5,067	15,201	12,714	2,487	20%	
Property rates - penalties & collection charges							–	–		
Service charges - electricity revenue			128,321		9,842	32,032	35,051	(3,019)	-9%	
Service charges - water revenue			35,272		2,790	8,181	9,514	(1,333)	-14%	
Service charges - sanitation revenue			15,868		1,246	3,718	4,181	(463)	-11%	
Service charges - refuse revenue			10,605		874	2,572	2,800	(228)	-8%	
Service charges - other					–	–	–	–		
Rental of facilities and equipment			270		24	61	77	(15)	-20%	
Interest earned - external investments			7,783		383	1,139	2,071	(931)	-45%	
Interest earned - outstanding debtors			19,878		1,388	1,541	2,743	(1,202)	-44%	
Dividends received					–	–	–	–		
Fines			364		44	78	153	(75)	-49%	
Licences and permits			6,260		56	1,667	1,020	648	64%	
Agency services					–	–	–	–		
Transfers recognised - operational			106,721		233	37,887	38,802	(915)	-2%	
Other revenue			15,399		1,033	2,885	3,278	(393)	-12%	
Gains on disposal of PPE								–		
Total Revenue (excluding capital transfers and contributions)		–	397,121	–	22,980	106,963	112,403	(5,439)	-5%	–
Expenditure By Type										
Employee related costs			148,331		11,644	34,192	38,191	(3,998)	-10%	
Remuneration of councillors			7,584		643	1,929	2,081	(152)	-7%	
Debt impairment			1,650		–	–	–	–		
Depreciation & asset impairment			60,158		5,593	17,152	16,832	320	2%	
Finance charges			11,591		193	2,142	1,883	260	14%	
Bulk purchases			111,892		9,750	34,870	37,105	(2,236)	-6%	
Other materials					–	–	–	–		
Contracted services			18,487		1,627	2,633	3,051	(418)	-14%	
Transfers and grants			1,234		80	320	320	0	0%	
Other expenditure			76,424		5,712	22,582	17,440	5,142	29%	
Loss on disposal of PPE								–		
Total Expenditure		–	437,351	–	35,241	115,821	116,904	(1,083)	-1%	–
Surplus/(Deficit)		–	(40,230)	–	(12,262)	(8,857)	(4,501)	(4,357)	0	–
Transfers recognised - capital			48,154		6,084	14,477	15,111	(634)	(0)	
Contributions recognised - capital								–		
Contributed assets								–		
Surplus/(Deficit) after capital transfers & contributions		–	7,924	–	(6,177)	5,619	10,610			–
Taxation								–		
Surplus/(Deficit) after taxation		–	7,924	–	(6,177)	5,619	10,610			–
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		–	7,924	–	(6,177)	5,619	10,610			–
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		–	7,924	–	(6,177)	5,619	10,610			–

LIM362 Lephalale - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q1 First Quarter

Vote Description	Ref	2014/15	Budget Year 2015/16							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 2 - BUDGET AND TREASURY		–	–	–	–	–	–	–		–
Vote 3 - CORPORATE SERVICES		–	–	–	–	–	–	–		–
Vote 4 - SOCIAL SERVICES		–	–	–	–	–	–	–		–
Vote 5 - INFRASTRUCTURE SERVICES		–	53,665	–	7,733	18,624	15,111	3,513	23%	–
Vote 6 - PLANNING DEVELOPMENT		–	–	–	–	–	–	–		–
Vote 7 - STRATEGIC SERVICE		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	53,665	–	7,733	18,624	15,111	3,513	23%	–
Single Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		–	930	–	174	174	–	174	#DIV/0!	–
Vote 2 - BUDGET AND TREASURY		–	100	–	–	–	–	–		–
Vote 3 - CORPORATE SERVICES		–	1,284	–	–	26	–	26	#DIV/0!	–
Vote 4 - SOCIAL SERVICES		–	10,703	–	–	–	–	–		–
Vote 5 - INFRASTRUCTURE SERVICES		–	6,168	–	–	3	–	3	#DIV/0!	–
Vote 6 - PLANNING DEVELOPMENT		–	2,275	–	–	–	–	–		–
Vote 7 - STRATEGIC SERVICE		–	779	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	22,239	–	174	203	–	208	#DIV/0!	–
Total Capital Expenditure		–	75,904	–	7,907	18,826	15,111	3,715	25%	–
Capital Expenditure - Standard Classification										
Governance and administration		–	3,094	–	174	200	–	200	#DIV/0!	–
Executive and council			1,710		174	174	–	174	#DIV/0!	
Budget and treasury office			100				–	–		
Corporate services			1,284		–	26	–	26	#DIV/0!	
Community and public safety		–	5,703	–	–	–	–	–		–
Community and social services			1,703				–	–		
Sport and recreation							–	–		
Public safety								–		
Housing			4,000		–	–	–	–		
Health								–		
Economic and environmental services		–	32,767	–	4,001	8,663	9,574	(911)	-10%	–
Planning and development			2,275		–	–	–	–		
Road transport			30,492		4,001	8,663	9,574	(911)	-10%	
Environmental protection								–		
Trading services		–	34,340	–	3,732	9,963	5,537	4,426	80%	–
Electricity			2,893		–	3	–	3	#DIV/0!	
Water			23,172		3,732	9,960	5,537	4,423	80%	
Waste water management			3,275		–	–	–	–		
Waste management			5,000		–	–	–	–		
Other								–		
Total Capital Expenditure - Standard Classification	3	–	75,904	–	7,907	18,826	15,111	3,715	25%	–
Funded by:										
National Government			48,154		6,084	14,477	15,111	(634)	-4%	
Provincial Government										
District Municipality								–		
Other transfers and grants								–		
Transfers recognised - capital		–	48,154	–	6,084	14,477	15,111	(634)	-4%	–
Public contributions & donations	5							–		
Borrowing	6							–		
Internally generated funds			27,750		1,822	4,349	4,349	0	0%	
Total Capital Funding		–	75,904	–	7,907	18,826	19,460	(634)	-3%	–

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment

3. Capital expenditure by standard classification must reconcile to the total of multi-year and single year appropriations

4. Include expenditure on investment property, intangible and biological assets

5. Must reconcile to Monthly Budget Statement Financial Performance (revenue and expenditure)

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

LIM362 Lephalale - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash					55,363	
Call investment deposits			67,804		–	
Consumer debtors			94,492		142,966	
Other debtors					48,873	
Current portion of long-term receivables						
Inventory					1,910	
Total current assets		–	162,296	–	249,113	–
Non current assets						
Long-term receivables						
Investments					23	
Investment property						
Investments in Associate						
Property, plant and equipment			1,103,125		1,197,578	
Agricultural						
Biological assets						
Intangible assets					586	
Other non-current assets					77	
Total non current assets		–	1,103,125	–	1,198,263	–
TOTAL ASSETS		–	1,265,421	–	1,447,376	–
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing			4,617		12,467	
Consumer deposits					11,082	
Trade and other payables			59,731		40,031	
Provisions					4,459	
Total current liabilities		–	64,348	–	68,038	–
Non current liabilities						
Borrowing			135,923		86,734	
Provisions					45,599	
Total non current liabilities		–	135,923	–	132,333	–
TOTAL LIABILITIES		–	200,271	–	200,372	–
NET ASSETS	2	–	1,065,150	–	1,247,004	–
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			1,065,150		1,247,005	
Reserves						
TOTAL COMMUNITY WEALTH/EQUITY	2	–	1,065,150	–	1,247,005	–

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LIM362 Lephalale - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges			45,962		3,985	6,542	6,700	(158)	-2%	
Service charges			180,562		14,676	34,485	45,141	(10,656)	-24%	
Other revenue			39,327		1,157	4,692	12,527	(7,836)	-63%	
Government - operating			106,721		159	38,496	26,680	11,816	44%	
Government - capital			48,154		–	23,113	12,039	11,075	92%	
Interest			7,783		383	1,139	2,071	(931)	-45%	
Dividends								–		
Payments										
Suppliers and employees			(362,717)		(29,376)	(96,185)	(97,848)	(1,663)	2%	
Finance charges			(11,591)		(193)	(2,142)	(1,883)	260	-14%	
Transfers and Grants			(1,234)		(80)	(341)	(341)	0	0%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	52,966	–	(9,289)	9,799	5,085	(4,713)	-93%	–
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE										
Decrease (Increase) in non-current debtors								–		
Decrease (increase) other non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets			(75,905)		(7,907)	(18,826)	(15,111)	3,715	-25%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(75,905)	–	(7,907)	(18,826)	(15,111)	3,715	-25%	–
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits								–		
Payments								–		
Repayment of borrowing						(714)	(714)	(0)	0%	
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	(714)	(714)	(0)	0%	–
NET INCREASE/ (DECREASE) IN CASH HELD		–	(22,939)	–	(17,195)	(9,741)	(10,740)			–
Cash/cash equivalents at beginning:			90,743	67,804		65,104	67,804			65,104
Cash/cash equivalents at month/year end:		–	67,804	67,804		55,363	57,064			65,104

LIM362 Lephalale - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q1 First Quarter

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Description of financial indicator	Basis of calculation	Ref	2014/15 Audited Outcome	Budget Year 2015/16 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	16.4%	0.0%	1.8%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	18.8%	0.0%	11.2%	0.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	0.0%	252.2%	0.0%	366.1%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	105.4%	0.0%	81.4%	0.0%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	23.8%	0.0%	179.3%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		0.0%	37.4%	0.0%	32.0%	0.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	5.7%	0.0%	5.7%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0.0%	18.1%	0.0%	2.0%	0.0%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

References

1. Consumer debtors > 12 months old are excluded from current assets.

2. Material variances to be explained.

Calculations		Original Budget	YearTD actual
Borrowing		135,923	86,734
Total Assets		1,265,421	1,447,376
Employee related costs		148,331	34,192
Repairs & Maintenance		22,807	6,092
Interest (finance charges)		11,591	2,142
Principal paid			714
Depreciation		60,158	
Operating expenditure		437,351	115,821
Total Capital Expenditure		75,904	18,826
Borrowed funding for capital			
Debt		200,271	139,232
Equity		1,065,150	1,247,005
Reserves			
Borrowing		135,923	86,734
Current assets		162,296	249,113
Current liabilities		64,348	68,038
Monetary assets		67,804	55,363
Total Revenue (excluding capital transfers and contributions)		397,121	106,963
Transfers recognised - operational		106,721	37,887
Transfers recognised - capital		48,154	14,477
Debt service payments		7,783	(2,856)
Outstanding debtors (receivables)		94,492	191,839
Annual services revenue		190,066	46,503
Cash + Investments	Including LT Investments	67,804	55,366
Fixed operational expend. (monthly)			
Longstanding debtors outstanding			
Longstanding debtors recovered			
Attorney collections			

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LIM362 Lephalale - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description	NT Code	Budget Year 2015/16											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	2,328	1,538	1,320	1,650	1,064	1,036	5,000	12,549	26,485	21,300		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5,405	4,668	2,592	1,911	1,336	1,529	8,040	25,999	51,480	38,815		
Receivables from Non-exchange Transactions - Property Rates	1400	1,998	1,471	1,530	1,350	1,116	1,046	5,744	28,499	42,757	37,757		
Receivables from Exchange Transactions - Waste Water Management	1500	712	540	549	599	508	463	2,421	12,341	18,132	16,331		
Receivables from Exchange Transactions - Waste Management	1600	598	495	396	457	453	436	2,319	9,100	14,253	12,765		
Receivables from Exchange Transactions - Property Rental Debtors	1700									–	–		
Interest on Arrear Debtor Accounts	1810									–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	92	28	33	60	59	61	482	4,325	5,140	4,987		
Total By Income Source	2000	11,133	8,738	6,420	6,028	4,536	4,573	24,006	92,813	158,247	131,955	–	–
2014/15 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	218	449	182	119	120	102	548	3,883	5,521	4,772		
Commercial	2300	1,392	1,137	753	767	644	663	3,379	18,422	27,157	23,874		
Households	2400	9,481	7,125	5,452	5,132	3,763	3,797	19,892	44,055	98,696	76,639		
Other	2500	43	28	33	10	9	11	186	26,454	26,773	26,670		
Total By Customer Group	2600	11,133	8,738	6,420	6,028	4,536	4,573	24,006	92,813	158,247	134,955	–	–

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LIM362 Lephalale - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2015/16								
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100									–
Bulk Water	0200									–
PAYE deductions	0300									–
VAT (output less input)	0400									–
Pensions / Retirement deductions	0500									–
Loan repayments	0600									–
Trade Creditors	0700									–
Auditor General	0800									–
Other	0900									–
Total By Customer Type	1000	–	–	–	–	–	–	–	–	–

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LIM362 Lephalale - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality									
ABSA(Fixed)		12 months			36		6,377	–	6,413
ABSA Call Account(Call Account)		Call a/c			206		54,781	(20,000)	34,987
ABSA Call Account(Conditional Grants)		Call a/c			79		17,806	(0)	17,885
Municipality sub-total					321		78,964	(20,000)	59,285
Entities									
Entities sub-total					–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2				321		78,964	(20,000)	59,285

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LIM362 Lephalale - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description R thousands	Ref	2014/15 Audited Outcome	Budget Year 2015/16 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		–	118,126	–	–	46,176	46,176	–		
Local Government Equitable Share			87,409		–	36,421	36,421	–		
Finance Management			1,600		–	1,600	1,600			
Municipal Systems Improvement			930		–	930	930			
Water Services Operating Subsidy			15,000		–	3,750	3,750			
EPWP Incentive			1,187		–	475	475			
	3									
								–		
Municipal Water Infrastructure Grants			12,000		–	3,000	3,000	–		
Provincial Government:		–	–	–	–	–	–	–		–
	4							–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total Operating Transfers and Grants	5	–	118,126	–	–	46,176	46,176	–		–
Capital Transfers and Grants										
National Government:		–	36,750	–	–	15,433	15,433	–		
Municipal Infrastructure Grant (MIG)			36,750		–	15,433	15,433	–		
Regional Bulk Infrastructure										
								–		
EXXARO & DME								–		
Provincial Government:		–	–	–	–	–	–	–		–
[insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total Capital Transfers and Grants	5	–	36,750	–	–	15,433	15,433	–		–
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	–	154,876	–	–	61,609	61,609	–		–

LIM362 Lephalale - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	118,126	–	38,210	41,403	44,100	(2,697)	-6.1%	–
Local Government Equitable Share			87,409		36,421	36,421	36,421	–		
Finance Management			1,600		85	1,022	400	622	155.5%	
Municipal Systems Improvement			930		198	198	233	(35)	-14.8%	
Water Services Operating Subsidy			15,000		1,411	3,509	3,750	(241)	-6.4%	
EPWP Incentive			1,187		95	253	297	(43)	-14.6%	
							–			
Municipal Water Infrastructure Grants			12,000		–	–	3,000	(3,000)	-100.0%	
Provincial Government:		–	–	–	–	–	–	–		–
								–		
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		–	118,126	–	38,210	41,403	44,100	(2,697)	-6.1%	–
Capital expenditure of Transfers and Grants										
National Government:		–	36,750	–	5,315	13,009	9,188	3,821	41.6%	–
Municipal Infrastructure Grant (MIG)			36,750		5,315	13,009	9,188	3,821	41.6%	
								–		
								–		
								–		
EXXARO & DME								–		
Provincial Government:		–	–	–	–	–	–	–		–
								–		
								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
								–		
Total capital expenditure of Transfers and Grants		–	36,750	–	5,315	13,009	9,188	3,821	41.6%	–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	154,876	–	43,525	54,412	53,288	1,124	2.1%	–

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LIM362 Lephalale - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Q1 First Quarter

Description	Ref	Budget Year 2015/16				
R thousands		Approved Rollover 2014/15	Monthly actual	YearTD actual	YTD variance	YTD variance %
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Local Government Equitable Share					–	
Finance Management					–	
Municipal Systems Improvement					–	
Water Services Operating Subsidy					–	
EPWP Incentive					–	
					–	
Municpal Water Infrastructure Grants					–	
Provincial Government:		–	–	–	–	
					–	
					–	
					–	
					–	
Other transfers and grants [insert description]					–	
District Municipality:		–	–	–	–	
					–	
[insert description]					–	
Other grant providers:		–	–	–	–	
					–	
[insert description]					–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	
Capital expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Municipal Infrastructure Grant (MIG)					–	
					–	
					–	
					–	
					–	
EXXARO & DME					–	
Provincial Government:		–	–	–	–	
					–	
					–	
District Municipality:		–	–	–	–	
					–	
					–	
Other grant providers:		–	–	–	–	
					–	
					–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		–	–	–	–	

LIM362 Lephalale - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

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Summary of Employee and Councillor remuneration R thousands	Ref	2014/15 Audited Outcome	Budget Year 2015/16 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages			5,296		452	1,356	1,509	(153)	-10%	
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Motor Vehicle Allowance			1,765		149	448	441	7	2%	
Cellphone Allowance			523		42	125	131	(6)	-4%	
Housing Allowances								–		
Other benefits and allowances								–		
Sub Total - Councillors		–	7,584	–	643	1,929	2,081	(152)	-7%	–
% increase	4		#DIV/0!							
Senior Managers of the Municipality	3									
Basic Salaries and Wages			5,799		312	941	1,450	(509)	-35%	
Pension and UIF Contributions			950		46	139	237	(99)	-42%	
Medical Aid Contributions			202		13	39	51	(12)	-23%	
Overtime							–	–		
Performance Bonus							–	–		
Motor Vehicle Allowance			889		49	147	222	(76)	-34%	
Cellphone Allowance			121		7	21	30	(10)	-32%	
Housing Allowances							–	–		
Other benefits and allowances			793		5	14	198	(184)	-93%	
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Municipality		–	8,754	–	432	1,300	2,188	(889)	-41%	–
% increase	4		#DIV/0!							
Other Municipal Staff										
Basic Salaries and Wages			86,154		6,741	19,487	23,146	(3,659)	-16%	
Pension and UIF Contributions			19,701		1,416	4,071	4,925	(854)	-17%	
Medical Aid Contributions			5,637		475	1,405	1,459	(54)	-4%	
Overtime			4,285		710	2,385	1,071	1,313	123%	
Performance Bonus								–		
Motor Vehicle Allowance			9,362		748	2,153	2,340	(188)	-8%	
Cellphone Allowance			974		80	240	243	(3)	-1%	
Housing Allowances			213		74	104	53	51	95%	
Other benefits and allowances			11,052		967	3,048	2,763	285	10%	
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations	2							–		
Sub Total - Other Municipal Staff		–	139,577	–	11,212	32,892	36,002	(3,110)	-9%	–
% increase	4		#DIV/0!							
Total Parent Municipality		–	155,915	–	12,287	36,122	40,272	(4,151)	-10%	–
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Board Fees								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Sub Total - Board Members of Entities	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		–	155,915	–	12,287	36,122	40,272	(4,151)	-10%	–
% increase	4		#DIV/0!							
TOTAL MANAGERS AND STAFF		–	148,331	–	11,644	34,192	38,191	(3,998)	-10%	–

LIM362 Lephalale - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q1 First Quarter

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ANNEXURE

Description	Ref	Budget Year 2015/16												2015/16 Medium Term Revenue & Expenditure Framework		
R thousands	1	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash Receipts By Source																
Property rates		4,195	2,599	3,985									35,182	45,962	48,673	51,399
Property rates - penalties & collection charges													–			
Service charges - electricity revenue		16,850	12,639	11,263									81,154	121,905	129,098	136,327
Service charges - water revenue		2,519	2,144	1,111									27,734	33,508	35,485	37,472
Service charges - sanitation revenue		1,532	865	1,329									11,348	15,074	15,964	16,857
Service charges - refuse		833	556	973									7,714	10,075	10,669	11,267
Service charges - other													–			
Rental of facilities and equipment		19	19	24									195	256	272	287
Interest earned - external investments		362	394	383									6,643	7,783	8,242	8,703
Interest earned - outstanding debtors		170	153	1,388									(1,711)	–	–	–
Dividends received													–			
Fines		14	20	44									286	364	385	407
Licences and permits		564	1,047	56									6,592	8,260	8,747	9,237
Agency services													–			
Transfer receipts - operating		38,021	1,028	233									67,439	106,721	101,929	112,715
Other revenue		406	1,447	1,033									27,562	30,447	35,979	44,736
Cash Receipts by Source		65,484	22,916	21,822	–	–	–	–	–	–	–	–	270,139	380,355	395,442	429,407
Other Cash Flows by Source													–			
Transfer receipts - capital		23,113	475	–									24,566	48,154	119,477	138,458
Contributions & Contributed assets													–			
Proceeds on disposal of PPE													–			
Short term loans													–			
Borrowing long term/refinancing													–			
Increase in consumer deposits													–			
Receipt of non-current debtors													–			
Receipt of non-current receivables													–			
Change in non-current investments													–			
Total Cash Receipts by Source		88,597	23,385	21,822	–	–	–	–	–	–	–	–	294,705	428,509	514,919	567,865
Cash Payments by Type													–			
Employee related costs		11,059	11,490	11,644									114,139	148,331	157,454	166,665
Remuneration of councillors		629	657	643									5,655	7,584	8,050	8,521
Interest paid		–	1,950	193									9,449	11,591	11,127	10,599
Bulk purchases - Electricity		10,767	13,208	9,058									69,193	102,226	108,258	114,320
Bulk purchases - Water & Sewer		–	1,144	692									7,829	9,665	10,236	10,809
Other materials													–			
Contracted services		193	813	1,627									15,854	18,487	19,576	20,673
Grants and subsidies paid - other municipalities													–			
Grants and subsidies paid - other		2	259	80									893	1,234	1,266	1,299
General expenses		7,404	9,445	5,712									53,862	76,424	79,717	83,699
Cash Payments by Type		30,054	38,966	29,648	–	–	–	–	–	–	–	–	276,874	375,543	395,684	[illegible],584
Other Cash Flows/Payments by Type																
Capital assets		2,013	8,906	7,907									57,079	75,905	119,477	[illegible],458
Repayment of borrowing													–			
Other Cash Flows/Payments													–			
Total Cash Payments by Type		32,067	47,873	37,555	–	–	–	–	–	–	–	–	333,952	451,447	515,161	[illegible],042
NET INCREASE/(DECREASE) IN CASH HELD		56,529	(24,487)	(15,733)	–	–	–	–	–	–	–	–	(39,248)	(22,939)	(242)	12,823
Cash/cash equivalents at the month/year beginning:		84,911	141,440	116,952	101,220	101,220	101,220	101,220	101,220	101,220	101,220	101,220	101,220	84,911	61,972	61,730
Cash/cash equivalents at the month/year end:		141,440	116,952	101,220	101,220	101,220	101,220	101,220	101,220	101,220	101,220	101,220	61,972	61,972	61,730	74,554

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ANNEXURE

LIM362 Lephalale - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates								–		
Property rates - penalties & collection charges								–		
Service charges - electricity revenue								–		
Service charges - water revenue								–		
Service charges - sanitation revenue								–		
Service charges - refuse revenue								–		
Service charges - other								–		
Rental of facilities and equipment								–		
Interest earned - external investments								–		
Interest earned - outstanding debtors								–		
Dividends received								–		
Fines								–		
Licences and permits								–		
Agency services								–		
Transfers recognised - operational								–		
Other revenue								–		
Gains on disposal of PPE								–		
Total Revenue (excluding capital transfers and contributions)		–	–	–	–	–	–	–		–
Expenditure By Type										
Employee related costs								–		
Remuneration of councillors								–		
Debt impairment								–		
Depreciation & asset impairment								–		
Finance charges								–		
Bulk purchases								–		
Other materials								–		
Contracted services								–		
Transfers and grants								–		
Other expenditure								–		
Loss on disposal of PPE								–		
Total Expenditure		–	–	–	–	–	–	–		–
Surplus/(Deficit)		–	–	–	–	–	–	–		–
Transfers recognised - capital								–		
Contributions recognised - capital								–		
Contributed assets								–		
Surplus/(Deficit) after capital transfers & contributions		–	–	–	–	–	–	–		–
Taxation								–		
Surplus/(Deficit) after taxation		–	–	–	–	–	–	–		–

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ANNEXURE

LIM362 Lephalale - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Municipal Entity										
Insert name of municipal entity										
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
Total Operating Revenue	1	–	–	–	–	–	–	–		–
Expenditure By Municipal Entity										
Insert name of municipal entity										
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
Total Operating Expenditure	2	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the yr/period		–	–	–	–	–	–	–		–
Capital Expenditure By Municipal Entity										
Insert name of municipal entity										
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
Total Capital Expenditure	3	–	–	–	–	–	–	–		–

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ANNEXURE

LIM362 Lephalale - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q1 First Quarter

Month	2014/15	Budget Year 2015/16							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July		6,517		2,013	2,013	6,517	4,504	69.1%	6%
August		11,309		8,906	10,920	17,826	6,907	38.7%	33%
September		15,111		7,907	18,826	32,937	14,111	42.8%	57%
October						32,937	–		
November						32,937	–		
December						32,937	–		
January						32,937	–		
February						32,937	–		
March						32,937	–		
April						32,937	–		
May						32,937	–		
June						32,937	–		
Total Capital expenditure	–	32,937	–	18,826					

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ANNEXURE

LIM362 Lephalale - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	45,849	–	7,733	18,626	15,111	(3,515)	-23.3%	–
Infrastructure - Road transport		–	24,066	–	4,001	8,663	9,574	911	9.5%	–
Roads, Pavements & Bridges			24,066		4,001	8,663	9,574	911	9.5%	
Storm water								–		
Infrastructure - Electricity		–		–						–
Generation			2,893		–	3	–	(3)	#DIV/0!	
Transmission & Reticulation			2,893		–	3	–	(3)	#DIV/0!	
Street Lighting								–		
Infrastructure - Water		–	10,615	–	3,732	9,960	5,537	(4,423)	-79.9%	–
Dams & Reservoirs								–		
Water purification								–		
Reticulation			10,615		3,732	9,960	5,537	(4,423)	-79.9%	
Infrastructure - Sanitation		–	3,275	–	–	–	–	–		–
Reticulation			3,275					–		
Sewerage purification								–		
Infrastructure - Other		–	5,000	–	–	–	–	–		–
Waste Management			5,000					–		
Transportation								–		
Gas								–		
Other								–		
Community		–	5,620	–	–	26	–	(26)	#DIV/0!	–
Parks & gardens			100					–		
Sportsfields & stadia								–		
Swimming pools								–		
Community halls								–		
Libraries								–		
Recreational facilities								–		
Fire, safety & emergency								–		
Security and policing								–		
Buses								–		
Clinics								–		
Museums & Art Galleries								–		
Cemeteries								–		
Social rental housing								–		
Other			5,520		–	26	–	(26)	#DIV/0!	
Heritage assets		–	–	–	–	–	–	–		–
Buildings								–		
Other								–		
Investment properties		–	–	–	–	–	–	–		–
Housing development								–		
Other								–		
Other assets		–	5,454	–	–	174	–	(174)	#DIV/0!	–
General vehicles								–		
Specialised vehicles		–	–	–	–	–	–	–		–
Plant & equipment								–		
Computers - hardware/equipment			930	A		174		(174)	#DIV/0!	
Furniture and other office equipment			2,239					–		
Abattoirs								–		
Markets								–		
Civic Land and Buildings								–		
Other Buildings								–		
Other Land								–		
Surplus Assets - (Investment or Inventory)								–		
Other			2,285					–		
Agricultural assets		–	–	–	–	–	–	–		–
List sub-class								–		
Biological assets		–	–	–	–	–	–	–		–
List sub-class								–		
Intangibles		–	–	–	–	–	–	–		–
Computers - software & programming								–		
Other								–		
Total Capital Expenditure on new assets	1	–	56,922	–	7,733	18,826	15,111	(3,715)	-24.6%	–

LIM362 Lephalale - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		–	18,982	–	–	–	–	–		–
Infrastructure - Road transport		–	6,426	–	–	–	–	–		–
Roads, Pavements & Bridges			6,426					–		
Storm water								–		
Infrastructure - Electricity		–	–	–	–	–	–	–		–
Generation								–		
Transmission & Reticulation								–		
Street Lighting								–		
Infrastructure - Water		–	12,557	–	–	–	–	–		–
Dams & Reservoirs								–		
Water purification								–		
Reticulation			12,557					–		
Infrastructure - Sanitation		–	–	–	–	–	–	–		–
Reticulation								–		
Sewerage purification								–		
Infrastructure - Other		–	–	–	–	–	–	–		–
Waste Management								–		
Transportation								–		
Gas								–		
Other								–		
Community		–	–	–	–	–	–	–		–
Parks & gardens								–		
Sportsfields & stadia								–		
Swimming pools								–		
Community halls								–		
Libraries								–		
Recreational facilities								–		
Fire, safety & emergency								–		
Security and policing								–		
Buses								–		
Clinics								–		
Museums & Art Galleries								–		
Cemeteries								–		
Social rental housing								–		
Other								–		
Heritage assets		–	–	–	–	–	–	–		–
Buildings								–		
Other								–		
Investment properties		–	–	–	–	–	–	–		–
Housing development								–		
Other								–		
Other assets		–	–	–	–	–	–	–		–
General vehicles								–		
Specialised vehicles		–	–	–	–	–	–	–		–
Plant & equipment								–		
Computers - hardware/equipment								–		
Furniture and other office equipment								–		
Abattoirs								–		
Markets								–		
Civic Land and Buildings								–		
Other Buildings								–		
Other Land								–		
Surplus Assets - (Investment or Inventory)								–		
Other								–		
Agricultural assets		–	–	–	–	–	–	–		–
List sub-class								–		

Biological assets		–	–	–	–	–	–	–		–
List sub-class								–		
								–		
Intangibles		–	–	–	–	–	–	–		–
Computers - software & programming								–		
Other								–		
Total Capital Expenditure on renewal of existing assets	1	–	18,982	–	–	–	–	–		–

Specialised vehicles		–	–	–	–	–	–	–		–
Refuse								–		
Fire								–		
Conservancy								–		
Ambulances								–		

References

1. Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) must reconcile to total capital expenditure in Table C5

check balance		-	1,000	-	-173,684	-				-

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		–	12,847	–	1,112	3,843	3,212	(631)	-19.6%	–
Infrastructure - Road transport		–	4,021	–	279	1,088	1,005	(82)	-8.2%	–
Roads, Pavements & Bridges			4,021		279	1,088	1,005	(82)	-8.2%	
Storm water								–		
Infrastructure - Electricity		–	2,262	–	305	790	565	(224)	-39.7%	–
Generation								–		
Transmission & Reticulation			2,262		305	790	565	(224)	-39.7%	
Street Lighting								–		
Infrastructure - Water		–	1,941	–	324	974	485	(489)	-100.8%	–
Dams & Reservoirs								–		
Water purification								–		
Reticulation			1,941		324	974	485	(489)	-100.8%	
Infrastructure - Sanitation		–	3,863	–	205	959	966	7	0.8%	–
Reticulation			3,863		205	959	966	7	0.8%	
Sewerage purification								–		
Infrastructure - Other		–	760	–	–	32	190	158	83.0%	–
Waste Management			760		–	32	190	158	83.0%	
Transportation								–		
Gas								–		
Other								–		
Community		–	444	–	–	9	111	102	92.1%	–
Parks & gardens			356		–	6	89	83	93.2%	
Sportsfields & stadia								–		
Swimming pools								–		
Community halls								–		
Libraries			54		–	3	14	11	79.8%	
Recreational facilities								–		
Fire, safety & emergency								–		
Security and policing								–		
Buses								–		
Clinics								–		
Museums & Art Galleries								–		
Cemeteries			34		–	–	8	8	100.0%	
Social rental housing								–		
Other								–		
Heritage assets		–	–	–	–	–	–	–		–
Buildings								–		
Other								–		
Investment properties		–	–	–	–	–	–	–		–
Housing development								–		
Other								–		
Other assets		–	–	–	1,083	2,241	2,379	138	5.8%	–
General vehicles								–		
Specialised vehicles		–	–	–	–	–	–	–		–
Plant & equipment								–		
Computers - hardware/equipment								–		
Furniture and other office equipment								–		
Abattoirs								–		
Markets								–		
Civic Land and Buildings								–		
Other Buildings								–		
Other Land								–		
Surplus Assets - (Investment or Inventory)								–		
Other					1,083	2,241	2,379	138	5.8%	
Agricultural assets		–	–	–	–	–	–	–		–
List sub-class								–		

Biological assets		–	–	–	–	–	–	–		–
List sub-class								–		
								–		
Intangibles		–	–	–	–	–	–	–		–
Computers - software & programming								–		
Other								–		
								–		
Total Repairs and Maintenance Expenditure		–	13,291	–	2,195	6,092	5,702	(390)	-6.8%	–
Specialised vehicles		–	–	–	–	–	–	–		–
Refuse								–		
Fire								–		
Conservancy								–		
Ambulances								–		

LIM362 Lephalale - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Q1 First Quarter

Description	Ref	2014/15	Budget Year 2015/16							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class										
Infrastructure		–	53,809	–	4,985	15,288	15,245	(44)	-0.3%	–
Infrastructure - Road transport		–	20,174	–	2,152	6,599	6,836	237	3.5%	–
Roads, Pavements & Bridges			20,174		2,152	6,599	6,836	237	3.5%	
Storm water								–		
Infrastructure - Electricity		–	10,955	–	689	2,113	2,739	626	22.9%	–
Generation								–		
Transmission & Reticulation			10,955		689	2,113	2,739	626	22.9%	
Street Lighting								–		
Infrastructure - Water		–	17,283	–	1,480	4,540	4,321	(219)	-5.1%	–
Dams & Reservoirs								–		
Water purification								–		
Reticulation			17,283		1,480	4,540	4,321	(219)	-5.1%	
Infrastructure - Sanitation		–	4,386	–	454	1,392	1,097	(295)	-26.9%	–
Reticulation			4,386		454	1,392	1,097	(295)	-26.9%	
Sewerage purification								–		
Infrastructure - Other		–	1,011	–	210	645	253	(393)	-155.4%	–
Waste Management			1,011		210	645	253	(393)	-155.4%	
Transportation								–		
Gas								–		
Other								–		
Community		–	3,841	–	–	–	960	960	100.0%	–
Parks & gardens			3,564		–	–	891	891	100.0%	
Sportsfields & stadia								–		
Swimming pools								–		
Community halls								–		
Libraries			150		–	–	38	38	100.0%	
Recreational facilities								–		
Fire, safety & emergency								–		
Security and policing								–		
Buses								–		
Clinics								–		
Museums & Art Galleries								–		
Cemeteries								–		
Social rental housing								–		
Other			127		–	–	32	32	100.0%	
Heritage assets		–	–	–	–	–	–	–		–
Buildings								–		
Other								–		
Investment properties		–	–	–	–	–	–	–		–
Housing development								–		
Other								–		
Other assets		–	2,508	–	608	1,864	627	(1,237)	-197.3%	–
General vehicles								–		
Specialised vehicles		–	–	–	–	–	–	–		–
Plant & equipment								–		
Computers - hardware/equipment								–		
Furniture and other office equipment								–		
Abattoirs								–		
Markets								–		
Civic Land and Buildings								–		
Other Buildings								–		
Other Land								–		
Surplus Assets - (Investment or Inventory)								–		
Other			2,508		608	1,864	627	(1,237)	-197.3%	
Agricultural assets		–	–	–	–	–	–	–		–
List sub-class								–		

Biological assets		–	–	–	–	–	–	–		–
List sub-class								–		
								–		
Intangibles		–	–	–	–	–	–	–		–
Computers - software & programming								–		
Other								–		
Total Depreciation		–	60,158	–	5,593	17,152	16,832	(320)	-1.9%	–

Specialised vehicles		–	–	–	–	–	–	–		–
Refuse								–		
Fire								–		
Conservancy								–		
Ambulances								–		